UNITED NATIONS

General Assembly

FORTY-NINTH SESSION

Official Records

SECOND COMMITTEE
8th meeting
held on
Thursday, 13 October 1994
at 10 a.m.
New York

SUMMARY RECORD OF THE 8th MEETING

Chairman: Mr. KHAN (Pakistan)

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Distr. GENERAL
A/C.2/49/SR.8
2 December 1994
ENGLISH
ORIGINAL: FRENCH

94-81616E (E)

The meeting was called to order at 10.15 a.m.

GENERAL DEBATE (continued)

1. Mr. ELIASHIV (Israel) said that despite a modest recovery of the world economy, approximately one third of mankind continued to live in poverty and the gap between rich and poor countries was still widening. The International Conference on Population and Development, held at Cairo, had adopted a holistic approach to the problems of population, development and the environment and had emphasized the role of women. Because economic and social development were interrelated, it was essential to encourage patterns of economic growth which promoted social progress. It was possible to achieve a balance between economic growth and social justice by placing job creation, poverty alleviation and investment in people at the centre of economic policy.

2. His country attached great importance to the Fourth World Conference on Women: Action for Equality, Development and Peace, which would provide an opportunity to enhance the role of women in public life and development. It also attached considerable importance to the elaboration of the International Convention to Combat Desertification in those Countries Experiencing Serious Drought and/or Desertification, particularly in Africa. His country already had undertaken activities in that field and was willing to share its experience and know-how with other countries in the region, as well as with countries in Africa, Asia and Latin America. It also supported the Programme of Action adopted at the Global Conference on the Sustainable Development of Small Island Developing States and stood ready to present concrete proposals for such cooperation to interested parties.

3. One of the primary objectives of the United Nations in recent decades had been to enhance international cooperation for development. In that regard, his delegation welcomed the initiatives of the Secretary-General on the "agenda for development", which provided a proper framework for further constructive discussion. The fiftieth anniversary of the United Nations would provide an opportunity to reappraise and revitalize the Organization's activities and would enable all nations to make a concerted effort to reach an agreement on an agenda for development and on its implementation through specific programmes. The implementation of Agenda 21 opened new vistas with regard to sustainable development. The activities of the Commission on Sustainable Development and other relevant United Nations bodies should be encouraged and pursued.

4. In Africa, where the economic situation continued to deteriorate, his country would continue its bilateral and multilateral cooperation, particularly within the framework of the United Nations, and would support the implementation of the United Nations New Agenda for the Development of Africa in the 1990s.

5. Although technical progress contributed to sustainable development, the human factor was also important and increased attention therefore should be directed to human resource development, training and the transfer of technology. His country, for its part, had cooperated with more than 90 countries and had

trained over 40,000 men and women from developing countries, mainly in agriculture, health and education.

6. Regional cooperation was an essential element of economic progress. Historic progress had been accomplished in the Middle East during the preceding year. The Palestinians now had authority in Gaza and Jericho, the Washington Declaration had ended the state of war between Jordan and Israel, and an economic conference to be held soon at Casablanca would provide an opportunity to elaborate an agenda for a new Middle East. The goal of the conference was to support peace by strengthening economic cooperation and development.

7. Mr. SULIMAN (Malaysia) endorsed the statement made earlier by the Chairman of the Group of 77. During the past 50 years, although the wealth produced by mankind had multiplied seven-fold, the distribution of that wealth had remained largely unchanged. Moreover, the factors of production remained concentrated primarily in the hands of a few industrialized countries.

8. The increase in poverty and starvation also was a cause for concern, as was the indebtedness of many developing countries, where debt servicing diverted resources from sorely needed social programmes. The structural adjustment programmes imposed by the Bretton Woods institutions posed serious difficulties for many developing countries. Import liberalization, the elimination of subsidies, the deregulation of currencies and deficit reduction often had negative consequences.

9. Those global problems must be addressed in the agenda for development, which should be the cornerstone in the search for a new paradigm of international development cooperation, and the United Nations was the only institution capable of ensuring a comprehensive and integrated approach to peace and development. The revitalization of the Economic and Social Council should enable it to coordinate and harmonize policies emanating from other bodies.

10. Since 1971, his country had succeeded in improving the quality of life of its population. For example, the incidence of poverty had declined from 49.3 per cent in 1970 to only 13.5 per cent in 1993, and per capita GNP had risen from US$ 410 to US$ 3,275.

11. The United Nations must find effective mechanisms for the promotion of international development cooperation which should contribute to the elimination of all structural impediments to growth and international development and also enable the developing countries to play a more active role in the world economy. Economic and structural imbalances could be overcome if the political will to do so existed.

12. Development cooperation had two important aspects: the effectiveness of the administrative machinery in policy formulation, programme implementation and coordination and evaluation on the one hand, and the financial resources for development activities on the other. Regarding the first aspect, without a careful study of the changes recently introduced with a view to strengthening the role of the Economic and Social Council in the area of development, it would

be premature to set up an economic security council, which would face the same problems as the Security Council, particularly where transparency and participation were concerned. It was important that the developed countries should fulfil their commitment to allocate 0.7 per cent of their gross national product (GNP) to official development assistance (ODA). Moreover, during the restructuring of the United Nations in the economic, social and related fields, it had been understood that increased resources would be provided to the programmes and funds for their operational activities. Instead, after two years, there had been a significant slide in the resources allocated for such activities. The ODA commitment had in fact dipped from 0.33 per cent of GNP to 0.29 per cent. In that connection, the industrialized countries should also apply specific measures aimed at macroeconomic stabilization.

13. Mr. BHATIA (Observer for the International Monetary Fund (IMF)) said that he had just returned from Madrid, where he had attended the annual meetings of the International Monetary Fund (IMF) and the World Bank. Many of the topics discussed at Madrid also appeared on the Committee's agenda. He had been impressed by the commonality of vocabulary: "putting people first", "compassion", "human resource development", "poverty alleviation", "employment-led growth" and "good governance" had often been used at Madrid. That language reflected a consensus reached by economic policy makers not only on a policy framework - the "Washington consensus" - but also on the goals and objectives of structural adjustment and development policies. That consensus constituted an "enabling environment" for furthering collaboration between the United Nations and the Bretton Woods institutions, particularly since the Committee and other United Nations forums had a demonstrated growing appreciation of sound macroeconomic policies.

14. A special conference had been held in Madrid to reflect on the performance of the Bretton Woods institutions over the past 50 years and their future role. Participants had included not only staff members from those two institutions, but also high-level government officials and ministers, academics and representatives of prestigious research institutions and non-governmental organizations. They had generally acknowledged the unprecedented economic and social progress made over the past 50 years, to which the Bretton Woods institutions had made significant contributions through their policy advice as well as financial and technical assistance that was both flexible and rigorous. They had also, however, highlighted failures and disappointments, particularly in terms of the record on development assistance, the number of countries that had yet to achieve sustainable growth and the initially disappointing reward from adjustment and reform. In addition, although development agendas remained enormous, the original objectives and mandates of the two institutions were still relevant, even if it was necessary to adapt to new circumstances. IMF should focus its efforts on "surveillance" and ensure greater policy coordination, particularly among the industrialized countries. Growing globalization made that task even more essential since it could minimize negative spillovers of policy mistakes. In that context, it might be useful to strengthen the role of the Interim Committee, which, as the Fund's Managing Director had noted, is "the only forum where economic policy makers representing

the entire world - central bank governors and finance ministers - meet twice a year to reach understandings on policies and policy cooperation".

15. The meetings had always focused on the world economic outlook, access to IMF resources and the question of special drawing right (SDR) allocations. On the first, there had been a distinct sense of optimism. In 1995, for the first time in seven years, world growth might exceed 3.5 per cent, with North America, Latin America, Europe and East Asia, as well as some South Asian countries participating in that growth. That achievement was overshadowed, however, by various problems and policy failures, particularly high unemployment, weakened savings performance and unsatisfactory growth in Africa and many developing countries in other parts of the world. Unlike in the past, however, the widespread recovery should reinforce national and geographical recoveries, as well as afford greater trading and growth opportunities for other countries, provided they pursued appropriate policies.

16. The general sentiment had been that the world should not miss the opportunity offered by the present recovery to secure sustainable growth that was more broadly based and people-centred. It was to that end that the Interim Committee, following the success of its 1992 Declaration of Cooperative Strategy for Growth, had adopted its Declaration to Strengthen Global Expansion. That strategy had three main goals: non-inflationary sustainable growth, reduction of unemployment and raising living standards world wide. The Declaration contained three policy elements: active use of monetary policy to avoid a rekindling of inflation, budgetary consolidation and measures to attack structural elements of unemployment. It also emphasized that international cooperation was a necessary element in achieving sustainable growth. That implied a partnership not only between nations, but also between the various member institutions of the United Nations family. In its catalytic role as a catalyst for development, IMF placed special emphasis on that partnership, particularly with the World Bank, but increasingly with United Nations institutions as well. The Secretary-General's forthcoming agenda for development should also enhance collaboration within the United Nations family and among those who participated in development. The discussions on that agenda in the General Assembly should lead to concrete proposals that preserved the best existing collaboration practices, built on the principles of complementarity and subsidiarity, and were likely to be supported by a consensus.

17. In contrast to that unanimity of the perception and purposes of global growth, the Madrid meeting had been divided on the question of a new SDR allocation. At issue was whether that allocation should be both special - that is, mainly for member countries who had not participated in earlier allocations, which would require an amendment of the Articles of Agreement - and general, or only special. Many industrialized countries had supported the special allocation, whereas developing countries had wanted both the special and general allocation. Apart from the issue of allocation, discussions on the financial package had included an increase in the annual access limits to IMF resources and an extension of the System Transformation Facility. Discussions on the SDR allocation had been protracted and difficult. No decision had been taken, as an

85 per cent majority was required. The Chairman of the Interim Committee had therefore been asked to conduct consultations on the subject, as well as on the extension and expansion of the System Transformation Facility.

18. Subsequent informal discussions had revealed greater understanding of the various issues involved, and it was to be hoped that a solution would be found that would attract consensus. Many had viewed that episode as highlighting the traditional North-South conflict, although it was perhaps more a manifestation of new economic realities and of the growing importance of new economic nuclei, suggesting that the representation of countries in the Fund's financial structure, management and operation ought to reflect the new international economic situation. However, it had been possible to reach an agreement to raise temporarily the annual access limit to Fund resources under the stand-by arrangement and the extended Fund facility from 68 per cent to at least 85 per cent.

19. The British Chancellor of the Exchequer had proposed that IMF should sell part of its gold to help the poor and indebted countries pay their debts. The Interim Committee had recognized those countries' difficulties and had requested the Executive Board to examine the various proposals for assistance, including the British proposal.

20. The discussions in Madrid had covered many topics, including enhancing the effectiveness of aid, which was a matter for the Committee, and coordination with other institutions. The general sentiment had been that there was no need to set up a new institution but rather to improve coordination between the Bretton Woods institutions and other multilateral institutions.

21. Mr. MABILANGAN (Philippines) endorsed the statement made by the representative of Algeria on behalf of the Group of 77. The world was still witnessing deep political changes and significant progress in the sphere of international development cooperation. However, many countries continued to suffer from underdevelopment. The United Nations was the best placed organization to seek an integrated solution to the problems facing mankind. It should reaffirm its role in preventing conflicts and promoting international cooperation to solve economic, social, cultural or humanitarian problems. To do so, it had to focus attention on the basic causes of conflict and solve them through concrete, constructive and pragmatic approaches.

22. In that regard, the proposed agenda for development was most timely. It should help to highlight those factors that predisposed nations to economic, social and political instability. The commitments already made and those to be made at Copenhagen, Beijing and Istanbul were certainly significant. However, commitments that remained unimplemented or that were implemented with reservation would not yield positive results. Realistic scheduling would prompt all Governments to demonstrate their political will to honour their commitments. Such a schedule should provide for the reallocation of funds earmarked for arms to development programmes, the conversion of military establishments and installations to civilian uses, an increase in ODA to 0.7 per cent of GNP and a definitive solution to the external debt problem. While peace-keeping

operations were valuable, one should consider whether it would not have been better to devote the amounts spent on them in recent months to fuller implementation of priority development programmes.

23. As the Secretary-General had observed, "Development is the most secure basis for peace". However, for each nation to realize its full development potential, it was necessary to set priorities, and above all to focus on eradicating poverty and raising the quality of life of peoples. Other measures were also required regarding: first, the provision of sufficient financial resources to achieve development objectives and, subsequently, the effective implementation of capacity-building programmes. In that context, the conclusion of negotiations on the General Agreement on Tariffs and Trade (GATT) and the establishment of the World Trade Organization should produce gains for the developing countries. Yet gains in trade would not make it possible to attain development targets as long as the debt problem persisted. Accordingly, the search for a durable solution to that problem must be a priority. Capacity building could also be an important subject for North-South dialogue and for South-South cooperation.

24. Over the years, the Second Committee had considered and adopted numerous resolutions on economic and development issues. At present it was more important to concentrate on fewer resolutions and to focus on priorities.

25. Provided that it focused on human beings, economic growth inevitably led to social development. All the United Nations agencies, the Bretton Woods institutions, donor countries and recipient countries, as well as non-governmental organizations and private enterprises should be guided by an agenda for development in seeking global peace and stability. For its part, the Economic and Social Council should strive fully to perform its role as coordinator. If the United Nations was to become a truly effective world body on the threshold of the twentieth century, it was necessary to restructure and revitalize not only the economic and social sectors but the entire Organization on the basis of the principles of sovereign equality among States, universality, transparency and, above all, democracy in decision-making. Thus restructured and revitalized, the United Nations would be able, on the eve of its fiftieth anniversary, to play a more significant and credible role in the global quest for peace and security.

26. Mr. ELBATEL (Libyan Arab Jamahiriya) said that for a number of years a positive trend that seemed to favour peace and progress had been discernible in the international situation. However, to benefit from it, the resources released by reductions in military budgets should be promptly used to revive economic growth in the developing countries.

27. The international economic situation was such that the efforts made by the developing countries to develop long-term development strategies and lay down sound economic foundations were doomed to failure, thereby exacerbating political tensions. To remedy that, international coordination and cooperation should be strengthened. The current state of affairs was attributable in particular to the protectionist policies pursued by some of the industrialized

countries vis-à-vis the developing countries, to the conditions placed on the transfer of technology, to the decline of commodity prices and to the accumulation of debt.

28. The countries of Africa, including the Libyan Arab Jamahiriya, were the most affected by economic backwardness, and their position was further weakened by a number of coercive measures, such as the economic embargoes and the freezing of assets, which were designed to impose and enhance the hegemony of the developed countries.

29. The agenda for development should be formulated through a political dialogue and a mobilization of efforts. It should set out clear concepts and advocate effective measures to implement the development commitments undertaken. It should also provide for preferential treatment for the transfer of technology and for solutions to the most pressing economic and social problems.

30. Moreover, the agenda should include an analysis of the disastrous consequences of the sanctions imposed by the Security Council for the economy of certain countries. As the Libyan Arab Jamahiriya had repeatedly stated, and in particular in its letter dated 2 August 1994 (S/1994/921), the implementation of the Security Council resolutions had extremely harmful repercussions on the daily life of the Libyan population.

31. Lastly, the decision to convene the World Summit for Social Development, to be held at Copenhagen in 1995, and the Fourth World Conference on Women, to be held at Beijing in 1995, should be commended.

32. Mr. NAMAKANDO (Zambia) noted that the agenda for development, whose objectives concerned both the North and the South, was at the centre of the debate during the current session. That debate should take place in a spirit of cooperation and partnership, and the United Nations should play a leading role, working together with Governments, non-governmental organizations and the private sector.

33. The agenda for development should aim at the optimum utilization of scarce financial resources and should adjust its recommendations according to the diverse problems faced by the developing countries, particularly the least developed countries, small island developing States and land-locked countries.

34. Even where developing countries had made efforts to revitalize their economic growth through stringent economic reform programmes, they were doomed to failure by the international economic environment. Commitments made at the major international conferences had not been met, and it was to be hoped that the programmes arising from conferences such as the Global Conference on the Sustainable Development of Small Island Developing States, the Cairo Conference on Population and Development and the forthcoming World Summit for Social Development would not suffer the same fate.

35. Countries imposing structural adjustment programmes, such as Zambia, faced the problem of unemployment. To solve it, they must develop the agriculture and

service sectors, which would require adequate and carefully targeted international financing. Foreign direct investment also constituted a means of regenerating economic growth and, in order to facilitate it, Zambia had designed a liberalization programme.

36. True to its commitments made at the Rio Conference, Zambia had set up a national environmental protection strategy, in order to integrate environmental concerns into all its development efforts. Sustainable development was a broad concept, which included the fight against poverty and protection of the environment.

37. Falling commodity prices, the lack of appropriate technology and the absence of diversification in the economies of the least developed countries were all factors which resulted in abuse of the land, thus contributing to its degradation. Poverty in rural areas posed a threat to ecosystems because, in order to live, the people exploited the only source of livelihood available. Therefore, those economies must be diversified, environmentally friendly methods of farming and land management encouraged, and the terms of trade improved.

38. His delegation welcomed the successful completion of the Uruguay Round and hoped that the World Trade Organization would soon be established.

39. With regard to agenda item 91, the United Nations should accord a more visible role to training and research by means of the United Nations University and the United Nations Institute for Training and Research.

40. Mr. BALZAN (Malta) said that the United Nations had been criticized recently for focusing too much of its energy and resources on peace-keeping operations. The current session of the Second Committee, however, would focus in particular on development issues. Moreover, in his report entitled "An Agenda for Development" (A/48/935), the Secretary-General had set the tone by emphasizing that "development is the most secure basis for peace" and that "while there is war, no State is securely at peace". Development and security were entirely interdependent.

41. A number of conflicts, tracing their origins to ethnic, religious or political differences or to extreme poverty, continued to ravage many countries, from the former Yugoslavia to Rwanda, at the same time causing setbacks in economic and social development.

42. At the recent World Hearings On Development (A/49/320), peace, democracy, social justice, economic activity and the environment had been identified as the core of development. It was generally recognized that world economic growth necessitated better macroeconomic management, taking into account the real interests of both developing and developed countries.

43. During the past year, even as economic growth world wide increased, the gap between developed and developing countries had continued to grow. The impact of the measures adopted at the Uruguay Round had not yet been seen. It was to be

hoped that the new World Trade Organization would monitor their implementation, thereby facilitating international trade relations.

44. The Human Development Report 1994 stated that poverty was the greatest threat to political stability, social cohesion and the environmental health of the planet. In 1992, more than 1.3 billion people in developing countries had been living in absolute poverty. Therefore, the adoption of resolution 48/183, proclaiming 1996 the International Year for the Eradication of Poverty, was most welcome.

45. The dignity of the human person must always remain at the centre of discussion on economic and social issues. The recent experience of the International Conference on Population and Development had shown that, because of the great complexity of problems related to people, coordinated and organized efforts were required. The education of women, health care, nutrition, education and environmental protection were all inextricably linked.

46. The specific purpose of the 1992 United Nations Conference on Environment and Development had been to address the protection of the environment in a context of sustainable development, and Agenda 21 contained guidelines leading to the attainment of that objective. Regrettably, the concrete results fell far short of the commitments. In its report on the work of its second session, the Commission on Sustainable Development stated that the overall financing of Agenda 21 and sustainable development programmes had fallen significantly short of requirements and that the modest progress made in some fields was solely to the credit of the Governments of the States concerned. On the other hand, he welcomed the holding of the Global Conference on the Sustainable Development of Small Island Developing States and the United Nations Conference on Straddling Fish Stocks.

47. The World Hearings on Development held in June and the International Conference on Population and Development held at Cairo in September were two examples of concrete action taken to address development issues in the true spirit of cooperation. Efforts to highlight the effect of social problems on security issues should be continued at the World Summit for Social Development, the Fourth World Conference on Women and the United Nations Conference on Human Settlements (Habitat II).

48. Malta supported the efforts of the Office of the United Nations High Commissioner for Human Rights to eliminate violence, discrimination and all human rights violations.

49. Development and security were inherently linked. Financing development was surely less costly than financing peace-keeping operations and reconstruction. Therefore, investments should be directed to ensure peace and security through development. It was impossible to speak of economic growth and the elimination of poverty, unemployment and environmental degradation within a development strategy that did not take into account the essential element of security. It was impossible to discuss development prospects without security and stability, just as it was impossible to talk of security without assuming sound

development. The United Nations should be at the forefront of all initiatives aimed at solving the issues identified, and the restructuring process under way should enable it better to face those challenges.

50. Mr. AWAAD (Egypt) said that his delegation took pride in the fact that in the plenary meeting of the General Assembly as well as in the Second Committee, delegations had welcomed the successful outcome of the Conference on Population and Development held at Cairo and the unprecedented consensus achieved with respect to the adoption of the Programme of Action. The delegations attending the current session of the General Assembly and the substantive session of the Economic and Social Council would no doubt continue the constructive dialogue initiated in the run-up to and during the Conference. It was to be hoped that the interest shown in the Cairo Conference and Programme of Action would not wane and that the Conference's conclusions would be duly taken into account at the Copenhagen, Beijing and Istanbul conferences.

51. His delegation supported the statement made by the Algerian delegation on behalf of the Group of 77, especially with regard to the agenda for development. His delegation, like others, had warmly welcomed the Secretary-General's report on that question, issued in May 1994. During the debate on that report and at the substantive session of the Economic and Social Council in June and July 1994, Egypt had expressed the hope that the new document would propose the adoption of concrete, realistic and well-defined measures. Egypt was sure that its expectations in that respect would be met and that the substance and recommendations of the report would not overemphasize purely institutional measures but would stress the need to increase transparency within the United Nations and highlight problems relating to resources and financing mechanisms which constituted the driving force of development. The agenda for development should also take into account the specific problems of Africa which, unlike other continents where the economic situation was improving, was facing increasingly serious difficulties and ever more acute and complex crises. In that regard, the establishment under the African Development Bank of the diversification fund for Africa's commodities mentioned in the United Nations New Agenda for the Development of Africa in the 1990s was a matter to which the African countries attached considerable importance. The General Assembly should approach the issue in an open and generous frame of mind.

52. Africa, a continent where the incidence of drought and the spread of desertification were becoming increasingly alarming and had serious economic, environmental and social consequences, heartily welcomed the International Convention to Combat Desertification in those Countries Experiencing Serious Drought and/or Desertification, particularly in Africa, which should soon be opened for signature. That was why all the parties concerned should do their utmost to ensure that the Convention was widely disseminated and attained its objectives. The Convention should be treated on an equal footing with the United Nations Framework Convention on Climate Change and the Convention on Biological Diversity, and desertification control activities should receive appropriate financing.

53. The deterioration in international cooperation for development, the inadequacy of the financial resources allocated to operational activities for development, the instability of the international monetary system, the collapse of commodity prices, the increasing indebtedness of developing countries and the difficulties they were having in exporting their commodities created an environment which militated against the establishment of a fruitful partnership and was likely not only to widen the gap between the rich and the poor but also to lead to an international order governed by the law of the jungle where the poor would be marginalized. In that regard, the discussions and consultations held at the current session of the General Assembly were critical because they could facilitate the search for solutions to those problems and help to forge genuine partnership links likely to lead to concrete action.

54. Mr. NHLAPO (South Africa) said that his country, which had just been readmitted to the community of nations, had participated and intended to participate in various conferences and world summits, thus demonstrating its commitment to Africa, to the developing world and to the international community as a whole.

55. While South Africa unreservedly supported the efforts of the Group of 77 to promote South-South cooperation, which was essential, it felt that developed countries should demonstrate their willingness to meet their commitments in terms of official development assistance. Relations between developed and developing countries should not be conducted in a confrontational manner; rather, the two groups of countries should establish a partnership for development. In that regard, he welcomed the call made by the President of the forty-eighth session of the General Assembly for an enduring dialogue between the Group of seven major industrialized countries and the Group of 77.

56. South Africa welcomed the report of the Secretary-General entitled "An Agenda for Development". His country hoped to see an action-oriented version of the report because what was currently needed above all were practical solutions.

57. Compared with other developing countries, South Africa was in the fortunate position of having managers and economic specialists who could ensure continuity and stability during the period of transition. The South African economy had therefore experienced an initial upturn in 1993. In the 12 months from July 1993 to June 1994, real gross domestic product had increased by 3.5 per cent while the inflation rate had fallen below 10 per cent. The budget deficit presented to Parliament in June 1994 was within manageable levels.

58. South Africa's international economic relations had been gradually normalized, as had its financial relations with the Bretton Woods institutions; it had secured a loan of $850 million from the International Monetary Fund and had access to World Bank funding for a number of reconstruction and development programmes.

59. The Government's reconstruction and development programme would require the allocation of substantial resources. To date, 35 billion Rands, a very significant percentage of the gross domestic product, had been allocated to that

programme for the next five years in order to create a more stable and prosperous South Africa. The reconstruction and development programme placed the individual at the centre of development. Resources from the most developed sectors of the country's economy would be mustered to provide support for the underdeveloped sectors.

60. The experience thus acquired by South Africa would enable it to play a useful role in the development efforts undertaken by the United Nations and its specialized agencies.

61. Mr. SY (Observer for the Organization of African Unity) said that the idea of development had changed: in the early 1950s it had been expressed almost exclusively in economic terms; since the 1980s, it had been broadened to include social issues and by the early 1990s it had been further expanded to cover environmental problems. At the same time, the international community had endeavoured to cope with all the challenges of development and to ensure that the standard of living in all regions of the world was improved.

62. The World Economic Survey, 1994, published by the Department for Economic and Social Information and Policy Analysis, indicated a slight recovery in the world economy which was expected to continue in 1995; that upturn was largely attributable to the growth in the industrialized countries. The transition economies as a group had entered a phase of transformation in which some of them had begun to grow again. Among the group of developing countries, the growth of the newly industrialized countries of South-East Asia and Latin America continued to give some momentum to world economic development.

63. For many African countries, the difficulties remained considerable. In 1994, the growth rate for the continent was well below what had been projected. That poor performance was attributable to a number of factors: unfavourable climatic conditions, the external debt burden, inadequate external financial support, political and social strife, to name a few.

64. The international community must therefore refocus its efforts on global development issues. Equitable global development was known to be beneficial to both developed and developing countries in the long term. During the current session, the Second Committee must therefore promote international development and galvanize the international community into supporting economic growth in Africa.

65. External debt remained the chief obstacle to such growth. The report of the Secretary-General on the matter (A/49/338) stressed that current debt relief efforts were inadequate to solve the problems of developing countries. Africa hoped that the debt of the least developed countries would be written off and that special measures would be taken to assist other severely indebted countries.

66. The paucity of foreign capital flows was also a major obstacle to the development of Africa. According to the report of the Secretary-General on the net transfer of resources (A/49/309), the early 1990s had witnessed a turnaround

in the net financial transfer in favour of the developing countries; unfortunately, in the African countries, that had not been the case. In the African countries on the whole, the net financial transfer had remained negative. Net official flows to African countries had even declined in real terms in recent years. Africa therefore hoped that foreign investment would increase and that the developed countries would honour their commitment to allocated 0.7 per cent of their gross national product to official development assistance.

67. The importance of foreign trade to the development of Africa was well known. Certainly, the increase in the prices of certain primary commodities in 1994 was an encouraging sign. On the other hand, an improvement in the foreign trade of African countries would hinge on the diversification of their commodities. That idea had already been put forward and the establishment of a diversification fund for Africa's commodities had been proposed. Its establishment was urgent in view of the unpredictable nature of prices and the demand for certain primary commodities, and of the need to lay the groundwork for sustainable economic growth in Africa.

68. Africa welcomed the conclusion of the Uruguay Round; it was to be hoped that that would facilitate the access of developing countries to international markets. The agenda for development currently under discussion offered a new framework in which to study the development issues affecting African countries, without, however, compromising the interests of other developing regions.

69. Mr. STAIKOV (Bulgaria) noted that profound changes in the modern world clearly demonstrated that peace, economic growth, the environment, social justice and democracy were interdependent elements of development and welcomed the fact that that idea was put forward in the report of the Secretary-General on an agenda for development. The United Nations should take into account each of those five dimensions of development in order to be more responsive to new development realities and promote sustainable development.

70. After the recent International Conference on Population and Development, the forthcoming conferences on social development and on women should help to define further the concept of sustainable development with a human face.

71. Since the prospects for social justice and stability in the world were largely dependent on the state of the world economy, the positive trends registered since the beginning of the year were encouraging. After a period of global recession, the industrialized countries showed signs of economic recovery and certain developing countries were also experiencing growth. Persistent imbalances at the global and regional levels should be avoided, as they could jeopardize economic recovery.

72. The integration of the Central and Eastern European transition countries into the world economy was accelerating and could contribute to recovery. In view of the difficulty and the complexity of the tasks that lay ahead, it was to be hoped that the United Nations and its specialized agencies would continue to intensify their efforts to facilitate that process.

73. Bulgaria had made particularly intense efforts to evolve towards a market economy. The reform process was taking place there under extremely complicated conditions, aggravated by a number of factors - severe indebtedness, the existence of outdated economic structures inherited from the past, and the radical disruption of its traditional economic relations. In 1991-1993, its gross domestic product had shrunk by about 30 per cent and, by the end of 1993, the unemployment rate had been 16.8 per cent. The real income of the population had dropped sharply.

74. Despite those difficulties, progress had been achieved in the liberalization of the economy and macroeconomic stabilization, and the privatization process had accelerated. The Parliament had adopted legal instruments for adaptation to a market economy.

75. In 1994, his Government had adopted an ambitious programme to reduce inflation, arrest the decline of production, give fresh impetus to structural reform and replenish its foreign exchange reserves. Some positive results had been achieved and it was to be hoped that the agreements concluded with the creditors of the London club and the conclusion of a third stand-by arrangement with IMF would bring complete stability to the Bulgarian economy. Obviously, the task would be much more difficult without adequate international support. Such support was necessary particularly because Bulgaria had suffered as a result of the measures taken by the Security Council under Article 41 of the Charter of the United Nations. The imposition of sanctions against three countries (Iraq, Libya and the Federal Republic of Yugoslavia (Serbia and Montenegro)), particularly the latter, had had very grave consequences for the Bulgarian economy. The burgeoning private sector had been particularly hard hit. Bulgaria's normal trade links with European markets had been cut off. Bulgarian exports were much less competitive and at times even completely blocked.

76. Bulgaria appreciated the international community's understanding and support for its efforts to implement reform. In that context, investment, project financing and access to international markets acquired ever-growing importance. Bulgaria accorded top priority to its integration into the European Union and to the strengthening of its trade relations with other countries.

77. His delegation welcomed the conclusion of the Uruguay Round, which opened up excellent prospects for international trade. It intended to become a member of the new World Trade Organization.

78. In conclusion, Bulgaria would support all measures aimed at achieving economic stability and sustainable development. It was to be hoped that the Conference of Ministers of the Environment of the European Countries, to be held at Sofia in 1995, would help to give impetus to the movement already under way and resolve the environmental problems of Europe.

79. Mr. TAN (Singapore) said that, according to the World Economic and Social Survey, 1994, world output had increased by more than 2 per cent in 1994; that forecasts for 1995 were even more optimistic, but that at the same time economic

and social development continued to be impeded by political and ethnic unrest, unemployment in the developed countries, poverty and adverse weather conditions, particularly in Africa.

80. In the aftermath of the cold war, countries were now placing more emphasis on improving the quality of life of their peoples. As was pointed out in the ministerial statement on "An Agenda for Development" adopted by the Group of 77, now was the appropriate moment to address global development issues. The question was one that should be discussed within the United Nations as a matter of urgency, and Singapore was looking forward to receiving the new report of the Secretary-General on "An Agenda for Development".

81. The successful conclusion of the Uruguay Round attested to the political will of the international community to liberalize international trade. Singapore welcomed the establishment of the World Trade Organization (WTO), and had offered to host the first WTO Ministerial Conference. Having prospered as a result of its free trade policy, Singapore would work to ensure that protectionism did not impede the growth prospects of any country, particularly the developing countries. Disguised forms of protectionism such as the linkage of social clauses or environmental and labour standards with trade should also be resisted.

82. Environmental protection was also an important aspect of sustainable development. Singapore, which had enjoyed rapid economic growth, had been able to preserve its environment through careful planning and investment in environmental infrastructure.

83. Singapore welcomed the success of the Global Conference on the Sustainable Development of Small Island Developing States. It was now important to implement the Programme of Action adopted by the Conference.

84. The world economy continued to be marked by sharp contrasts. According to the World Economic and Social Survey, 1994, developed market economies accounted for 70 per cent of world output, while the developing countries, with 80 per cent of the world's population, produced only 20 per cent of world output. Yet, looked at as a whole, economic growth had been strong in the developing countries of East and South-East Asia, Latin America and the Caribbean, while population growth in those countries had been low. Some countries of those regions, such as Singapore, had had the good fortune to embark on their economic development in the favourable global environment of the 1960s, whereas competition for foreign direct investment was now much more intense and the economic climate less favourable.

85. In Africa, on the other hand, per capita output had been falling for a decade, and the international community would need to focus on the economic plight of the African countries. Among the problems those countries must resolve, mention was usually made of desertification and the debt crisis, but they had also to face political instability, adverse weather conditions, the AIDS epidemic and abject poverty. According to the World Bank, Africa was the only region in the world likely to experience an increase in absolute poverty

over the next decade. Private investment flows to Africa had been very limited, and aid would remain practically the only source of foreign capital until the end of the decade. The weakness of Africa's institutions also made reform difficult; yet there was no other alternative for Africa. A huge commitment from the international community would be necessary in that regard.

86. Unfortunately, the developed countries were now mired in their own economic and social problems, and poverty was not limited to the South. Poverty in the developed countries was, however, not as desperate or as widespread as in the developing countries, particularly in Africa and some parts of Asia.

87. As a result of their economic woes, the developed countries lacked the political will to assist Africa and the other developing countries. But, in the interdependent present-day world, the problems of Africa, which were likely to spill over into the rest of the international community, could not be ignored. It was essential that the developed countries should give priority to assistance to Africa.

88. For its part, Singapore, with its limited resources, continued to provide technical assistance to developing countries in Africa and Asia and to small island developing States, both bilaterally and through multilateral arrangements.

89. It was to be hoped that the current session would be the occasion for fruitful discussions to work out a revitalized framework for international economic cooperation to facilitate global economic growth for all countries, in particular the developing countries.

90. Mr. EVRIVIADES (Cyprus) noted that various international events augured well for the success of the current session: first, the International Conference on Population and Development had adopted a programme of action in which, for the first time, the questions of population, development and the environment, as well as the central role played by women in those three areas, were set in the context of sustainable development. The Committee would no doubt have to discuss the results of that Conference in depth. Furthermore, the successful completion of the Uruguay Round and the establishment of the World Trade Organization opened up new opportunities for growth through trade. Delays in ratifying the Uruguay Round agreements would be quite unacceptable. It was essential that the international community should stop the drift towards the marginalization of certain States, particularly in Africa, so that all countries could participate fully in the globalization of trade. In that way the developing countries would become effective partners in the world economy, a source of wealth and economic security. It was, however, morally and politically unacceptable that, despite the success of the Uruguay Round, famine should destroy some 18 million human beings every year and that 800 million individuals should continue to suffer from malnutrition when there was over-production of foodstuffs. Food security was the most basic of human rights.

91. His delegation joined other delegations in welcoming the first report of the Secretary-General on "An Agenda for Development" and supported the

Secretary-General's efforts to create a culture of development. It shared his far-reaching vision of development, encompassing five dimensions: peace, the economy, the environment, social justice and democracy. The close interlinkages between those issues formed a sound basis for an action-oriented programme that would recognize the fundamental right of States to develop economically. An integrated approach must be adopted to address such basic issues as poverty, illiteracy, health and the welfare of women. In formulating the action programme for development, account must also be taken of the Programme of Action adopted by the World Conference on Human Rights, held in Vienna in June 1993. That Programme had been endorsed by the Commonwealth Heads of Government Meeting in Cyprus in October 1993.

92. Finally, as an island developing State whose very existence was at stake, Cyprus attached paramount importance to the fulfilment of the commitments undertaken at the Global Conference on the Sustainable Development of Small Island Developing States, which it saw as the first test of the international community's resolve to fulfil the commitments undertaken at Rio de Janeiro.

The meeting rose at 12.55 p.m.